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C O N F I D E N T I A L SECTION 01 OF 02 MANILA 000695

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SUBJECT: OVERSEAS FILIPINO WORKERS AS A POLITICAL FORCE

REF: A. 05 MANILA 4639 ¶B. 05 MANILA 5734

Classified By: Acting Pol/C Joseph L. Novak for reasons 1.4 (b) and (d).

11. (C) Summary: The over eight million Overseas Filipino Workers (OFWs) already have an important and growing role as an economic force, sending roughly USD 10 billion worth of remittances home each year. On the political side, however, OFWs were not granted the right to vote in absentia until 2004 and are only now becoming more of a force. Given their numbers — and the wealth they are bringing the country — OFWs look poised to become steadily more important on the political stage, including via single-issue lobbying. End Summary.

OFWs: Already a Key Force in the Economy

12. (SBU) OFWs, numbering over eight million, already play a vital role in the Philippine economy. Through remittances, OFWs -- who represent roughly one quarter of the country's labor force and one-tenth of the population -- provide more than 11 percent of the country's USD 85 billion gross domestic product (much of it in hard currency). Poverty, high under-employment and unemployment, and low wages at home drive these Filipinos to seek work abroad in increasing numbers. In the first 11 months of 2005, a record 900,000 Filipinos (more than 2,500 per day) left for jobs overseas, an increase of 3.9 percent from 2004. (Note: For further background on OFWs and their economic impact -- see Ref A. End Note.)

13. (SBU) So important are OFWs to the national economy that the GRP has established a large bureaucratic network led by the Philippine Overseas Employment Administration (POEA) to assist them. While some OFWs never return to the Philippines, most do -- and virtually all continue to send money home for as long as they are away. Many Filipino families rely on these remittances for the income they provide. The relatives of OFWs also often stand out on their city block or in their village due to their ability to buy consumer products or the nicest residences.

Not Traditionally a Political Force

14. (SBU) Despite their importance on the economic side, OFWs have not traditionally been much of a political force. For years, they were not allowed to vote due to Philippine electoral laws which did not allow overseas ballots to be cast. OFWs off-and-on have become the subject of political controversy, however, especially when they were allegedly

mistreated by foreign governments, employers or in some other way. For example, the execution in 1995 of Filipina maid Flor Contemplacion in Singapore for allegedly killing two people raised howls of protest in the Philippines. In fact, the foreign and labor secretaries at the time were forced to step down. Such was the mytholigizing of the OFW as "the lone worker selflessly helping his or her country" that subsequent governments have been very careful to be seen as taking steps to protect Filipinos abroad. (Note: In 2004, for example, the GRP -- in reaction to some protests at home -- pulled its small military contingent out of Iraq when a Filipino worker was held hostage there. He was subsequently released unharmed. End Note.)

15. (SBU) After much debate in which those who spoke out for the OFW as "the soul of the nation" won out, the Overseas Absentee Voting Law was passed in 2003. This act allowed OFWs to register and vote at 85 embassies and consulates worldwide. Implemented by the Commission on Elections (COMELEC), the country's independent electoral body, the law was first put into practice for the May 2004 national elections, which included presidential, senatorial and House races. In the months prior to the election, COMELEC -- in cooperation with the Philippine Department of Foreign Affairs -- registered more than 350,000 OFW voters. The largest contingents registered in Saudi Arabia, followed by Hong Kong and Singapore. Registering to vote was a cumbersome process, requiring several steps (in place, the GRP says, to prevent fraud). All in all, most OFWs had to make three separate trips to their embassy or consulate in order to cast a ballot. Not surprisingly given the stringent registration requirements, only 233,000 OFWs -- 2/3's of those who registered and roughly three percent of the total number of OFWs -- actually voted on election day in May 2004.

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## Becoming More Involved Politically

16. (C) In the end, OFWs were not a significant force in the May 2004 elections. Philippine political parties, however, continue to try to recruit OFWs and to register them to vote (in spite of the fact that all registration is done on a non-party basis in the Philippines). Left-wing parties, such as Bayan Muna and Migrante (a leftist group focused on OFW issues), are said to be particularly active in this regard. Congressman Teodoro Casino of Bayan Muna has told us that his party has representatives in all the key places where OFWs are located, including Saudi Arabia, UAE and Hong Kong. These representatives are active in trying to bring workers into the fold and Casino claimed that Bayan Muna was having some success. Migrante, in the meantime, has member organizations in 22 countries.

- 17. (C) Other parties also have representatives overseas, including Lakas (President Arroyo's party) and the Liberal Party (a party split between those who support President Arroyo and those who oppose her). Many of the OFWs who voted in 2004 reportedly voted for President Arroyo and candidates supported by her, and most OFWs -- of those who are even interested in politics -- appear to support mainstream parties, as opposed to the left. Congressman Gilberto Teodoro told poloff recently that he thought that the vast majority of OFWs who are interested in politics are interested in "middle class politics, such as that engaged in by President Arroyo, and not revolution." Teodoro added that political parties -- including his Nationalist People's Coalition -- have been successful at fund-raising with OFWs and their families at home.
- 18. (SBU) All that said, political parties appear to have had only a modicum of success thus far in recruiting OFWs. Many OFWs are said to be much more interested in making money and sending it home than politics. In addition, many OFWs are

working in relatively isolated locales in the Middle East (employees of oil and gas companies, for example) and are not exposed to or involved in day-to-day Philippine politics.

¶9. (SBU) Organizations that lobby for various matters involving OFWs are also quite active. Groups such as the United Filipino Seafarers (the Philippines has hundreds of thousands of mariners — see ref A), the Overseas Performing Artists Group, and the Association of Relatives of OFWs lobby for economic and travel benefits with Malacanang and with Congress. Many OFWs and their families appear to be more involved in these single-issue organizations than day-to-day politics.

Comment

110. (C) Given their numbers -- and the wealth they are bringing the country -- OFWs look poised to become steadily more important on the political stage. Remittances, no doubt, have an impact of their own, with millions of families in the Philippines receiving an income they would not otherwise receive. This, in turn, probably lessens societal frustrations and helps keep people off the streets in "People Power"-type protests. In terms of politics, OFWs do not seem to be straying away from mainstream parties despite the left's best efforts. Single-issue lobbying by OFWs and their families also is an important factor, including as a consideration in Philippine foreign policy.

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